

2018-19 Annual Report

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Contents

Chair's report	3
CEO's report	4
Key achievements during 2018/19	5
RFC Chair report	6
Quality Service Delivery and Innovation	7
People Aligned with Purpose	10
Profile and Leadership	13
Financial Sustainability	14
Financials	16

Who we are

Community Options Australia is a not-for-profit organisation, with the purpose to provide innovative solutions to connect and enable people to access community care choices, to remain independent in their own homes.

Our purpose

We bring together organisations across the diversity of the community care sector, to create economies of scale, flexibility, and a community of best practice. This unique model, separate from direct service delivery, is built on technology and collaboration.

Community Options Australia has a reputation for excellence in contract management, assessment and case management, and acts as a budget holder and lead contractor for a range of State and Federal Government programs.

Our values

Ethics: Demonstrating integrity and accountability in everything we do.

Excellence: To be recognised as a leader in community care.

Dignity: Treating others the way we want to be treated, with fairness and respect.

Open-mindedness: Encouraging creativity and curiosity, generating new approaches and expanding options.

Our foundational pillars

The strength of our organisation relies of 4 foundational pillars:

- 1. Quality Service Delivery and Innovation
- 2. People Aligned with Purpose
- 3. Profile and Leadership
- 4. Financial Sustainability

Chair's report



This year has been a truly transformative one for Community Options Australia (COA).

On 1 July 2018 our new business model took effect. The new business model centres on our core strength of case management and assessment services.

While we implemented the new business model this year, it was a culmination of efforts by the board and senior executive to turnaround the business since 2016. Importantly, the almost two and a half year conversations about organisational turnaround centred on our firm belief of person-centred care and our organisational values of ethics, excellence, dignity and respect.

Part of the changes to the organisation included growing the team substantially from six employees to almost 30. It has been wonderful to welcome our new team members and see their contribution to COA's next chapter. And while we welcomed many to our team, we also farewelled our Executive Director Jane Crowe in November 2018. Jane has been instrumental in leading the turnaround efforts and in many ways reinventing COA since she started with COA almost three years ago. COA will always be indebted to Jane's leadership and efforts to help bring it into the strong position it is in today. In April 2019 we welcomed Bill Campos to the team as COA's new CEO and the board has enjoyed working with Bill as he settles into the position and helps navigate the future of the organisation.

This year the board also took the opportunity to reform the constitution to better reflect contemporary practice. The reforms focused on board composition and membership of the organisation to ensure that as much as possible conflict of interest was reduced and COA would continue to have the right skill mix on the board. I am very pleased to report that these changes were agreed to unanimously by the membership during the Special General Meeting held in September 2018.

My thanks also to my Board colleagues during the last 12 months, Joanne Watters, Kate McDougall, David Bruce, Dalvin Chien, Sara Haslinger, Sarah Richardson, Jacqueline Brewer and Steve Sant. Their hard work around the board table has helped ensure COA has a bright and sustained future.

Now that we have passed the 12-month mark of the new business model implementation, our minds turn to the development of COA's future strategy. Our current strategic plan comes to an end on 30 June 2020 and the board has already started work on the next strategic planning process. We have chosen to run this process differently than we have before, to ensure that our stakeholders can tell us what they think the future of COA should be and how we can help them achieve their goals. As well as hearing from our important sector partners, we are also seeking the views of consumers, carers, government officials and other sector experts to tell us what they need from COA.

I look forward to working with you all in the next 12 months.

Kind regards,

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Benjamin Graham Chair Community Options Australia

...conversations about organisational turnaround centred on our firm belief of person-centred care and our organisational values of ethics, excellence, dignity and respect.

CEO's report



I have entered this organisation at a time of great change and exciting development.

My appointment in March this year, came with the understanding that COA was undergoing a process of metamorphosis with new staff, business model, operations and organisational approach.

As a new CEO, it is very exciting to be part of this, but knowing that it comes with a great sense of responsibility. During the initial months, I can say that the staff, network providers, stakeholders and importantly the board has embraced these changes and supported me in keeping the momentum of change.

A key part of this transformation was my predecessors' vision, and contribution to the design and the approach taken. These steps were required to strengthen COA as an organisation, but also support the network as we transformed from members to service providers. This was a significant step and credit must go to Jane Crowe (Executive Director from July to November 2018) who initiated and progressed this approach. This has placed COA in a strong position.

The transformation was not only reflected in the business model, but also COA's governance. The Board of Directors have been instrumental in developing and constructing the financial and governance structures that has built the foundation of a strong organisation. We must also acknowledge Robin Cowdery (interim CEO from November 2018 to March 2019) who played a pivotal role in supporting the board to develop the robust governance structures.

During the past 12 months, COA has realigned the organisation to assist the network in supporting and advocating for quality community care. There is a focus to continually improve our services and deliver good outcome for the clients. We continue to deliver great service under 4 key programs which are designed to assist people's transition of care to local communities and individual care at home.

There has been a continued emphasis on COA to adapt and be prepared in responding to the number of sector changes and reforms currently underway. The result is several initiatives, that include recruiting staff with relevant skill sets and experience, utilising technology to broaden the effectiveness of the service provision. Importantly, the development of a strategic plan, with input from our stakeholders that will provide contextual overview of COA in the sector allowing us to be better prepared for the future ahead.

I want to thank the network for welcoming me into the role. I have been humbled by the goodwill in our network, who have invested in the working relationship and collaborated with COA to deliver outstanding care to the people in need. I also want to thank the board and the Chair - Ben Graham for allowing me to come on this journey and steer COA into the next stage of growth.

Lastly, I want to thank the staff, as managing the changes cannot be achieved without the dedicated staff who are committed to the work and the direction COA is taking. Thank you all for your welcome and your investment in the journey.

Kind regards,

William (Bill) Campos Chief Executive Officer Company Secretary Community Options Australia



We continue to deliver great service under 4 key programs which are designed to assist people's transition of care to local communities and individual care at home.

Key	objective achievements
1	Under the Continuity of Support service, providing care to elderly clients with a disability, COA transitioned WA clients into the program. COA is now supporting clients from all states and territories.
2	Successfully implemented the NSW Ministry of Health Program Safe and Supported at Home (SaSH) to our seven Local Health Districts.
3	We engaged with all the organisations in our network to better prepare for reforms in the Aged Care sector and new tender opportunities. These activities included teleconferences and a hosted event for our network CEO's.
4	Reinvigorated our communication channels including our website, LinkedIn and Facebook pages and the introduction of the "Get Connected" newsletter.
5	We have recruited (with 50% staff increase) and retained critical staff to develop more significant expertise and clinical capability. As a result, the organisation is more robust and capable of adapting to new opportunities and maintaining working relationships with our network.
6	Strengthening of the business models and service cohesion across our 4 essential programs and 34 network providers delivering a 52% increase in revenue .

RFC Chair report



The Risk and Finance Committee (RFC) assists the Board of directors in fulfilling its corporate governance and oversight responsibilities for financial reporting, internal control structure(s), risk management system(s), and external audit functions.

While the ultimate responsibility rests with the Board, the RFC is a mechanism for focusing on this oversight.

During the year, the RFC continued our focus on implementing and improving best practice processes to assist in cash flow and profit and loss management, identifying forward cashflow obligations and undertaking internal reviews of policies relating to risk mitigation.

RFC meetings held on 16 October 2018; 27 November 2018; 22 January 2019; 21 February 2019; 25 March 2019; 16 May 2019; 19 June 2019; 6 August 2019; 17 September 2019; 18 November 2019.

The committee continues to receive strong support and cooperation from management and has continued to monitor the implementation of various enhancements that seek to support the achievements of COA objectives.

The RFC continues to liaise with LBW & Partners (auditors) to ensure that the nature and extent of their audit procedures provide sufficient and appropriate assurances regarding COAs financial activities.

Following COA's conversion to a Limited by Guarantee company in 2018 and its new Constitution, the RFC worked closely with our Auditors to ensure we maintain and instil best practice accounting and financial controls across the organisation that reflects COA ever-increasing and diverse program agenda.

Through improved reporting and processes, I am confident COA will continue to build on developing a comprehensive framework(s) to monitor and mitigate risk and ensure sustainability in an ever-changing and increasingly competitive environment.

I want to thank my Committee members Dalvin Chien and Steve Sant for their ongoing contributions and attention to detail during the year.

Regards

David Bruce Risk & Finance Committee Chair Community Options Australia

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Quality Service Delivery and Innovation

The growing demand for community services is a direct result of population changes. There are shifts in demographics and geography, and as life expectancy increases, the need for services increase.

The changes are the backdrop to several government reforms and sector restructures. These demands mean the focus of care evolves from episodic to whole-person care to address (and support) people's social, physical and emotional wellbeing.

We have experienced the need for services to be more responsive and consistent. It has meant having the flexibility of meeting the demands of clients, but with the added need to retain and maintain staff to deliver consistent and reliable service. This balance is the key to quality service delivery.

Looking at COA's long term plan, the focus will always be to deliver great service and support people to coordinate care in their local communities. Our philosophy stems around the need for people to be better supported and assisted in their homes and the need to have reliable, local services.

Importantly as we anticipate the number of changes and government reforms underway, COA sees that to continue to deliver great service there will be the need to adapt, innovate and design new models of care that support the needs of individuals. In the past year, COA has been able to meet some (not all) of these challenges and importantly set the foundations for exceptional, coordinated care and quality service.

This past year, there are several highlights but importantly is the number of services delivered over the previous financial year, is a testament to the geographical reach, the flexibility and the support and coordination of services within our network.

RAS

My Aged Care Regional Assessment Service – Australian Government Department of Health

The Regional Assessment Service (RAS) provides a nationally consistent assessment service for people requiring low-intensity support in the home.

COA operates in 10 geographical Aged Care Planning Regions across Australia with a network of 10 subcontractor providers.

The RAS service is an integral component of My Aged Care. The key achievements in this past financial year are:

- 1. Completed over 15,500 RAS assessments (23% increase from the previous year)
- 2. Completed over 10,800 Support Plan reviews (56% increase from the previous year)

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COA sees that to continue to deliver great service there will be the need to adapt, innovate and design new models of care that support the needs of individuals.

Quality Service Delivery and Innovation

ComPacks - NSW Ministry of Health

ComPacks is a non-clinical case managed program of community care available for people being transferred home from a participating NSW Public Hospital. The program has been developed to provide eligible clients with immediate case management and non-clinical services to aid in a safe transition home from hospital.

In addition to the hospital to home transition, Community Options Australia continues to work with 2 of our Local Health Districts in the participation of the early intervention hospital avoidance program Healthy at Home. The program aims to provide community support and clinical care in a short-term package to avoid a hospital admission.

Key Achievements of ComPacks in the past year:

- 1. High utilisation of funding.
- 2. Provision of services to over 5200 clients comprising:

TOTAL:	53,736 hours of service
f. Respite	1,725 hours
e. Meals & Food services	1,721 meals/ hours
d. Domestic Assistance	21,052 hours
c. Personal Care	16,721 hours
b. Transport	13,501 trips
a. Social Support	12,517 Hours

ComPacks Safe and Supported at Home (SaSH) – NSW Ministry of Health

The SaSH program is an initiative developed to provide nonclinical, community support services to individuals between 18-64 year of age with functional impairments who are not eligible for services under the National Disability Insurance Scheme (NDIS).

The aim of SaSH is to provide immediate case management and community support services to eligible clients and their carers to:

- Foster wellness, reablement, capacity building and greater independence in the community
- Reduce avoidable admissions to NSW public hospitals
- Minimise inappropriate referrals to aged care services

Key Achievements of SaSH in the past year:

- Services delivery to over 586 clients
- Expanding the referral pathway to the inpatient setting
- Delivering forensic cleans to 3 of COA's clients resulting in an improvement to their living standards from a previous state of squalor and hoarding
- Significant increase in the uptake of referrals and funding as we worked with LHD's to educate and increase awareness of client eligibility and referral pathways
- The successful transition of 84 clients onto long term support program such as the NDIS and My Aged Care home care packages



CoS

Commonwealth Continuity of Support – Australian Government Department of Health

CoS has been established to provide continuity of support to older people who are existing clients of state-based disability support and are ineligible for the NDIS.

Continuity of support means supporting older people with a disability to achieve similar outcomes to those they were meeting before being transitioned to the new arrangements.

During the year we have prepared for the transition of clients from Western Australia and the final transition of state-based clients into the COS program has concluded. We currently assist clients across the country.

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Community Options Australia continues to work with 2 of our Local Health Districts in the participation of the early intervention hospital avoidance program Healthy at Home.



People Aligned with Purpose

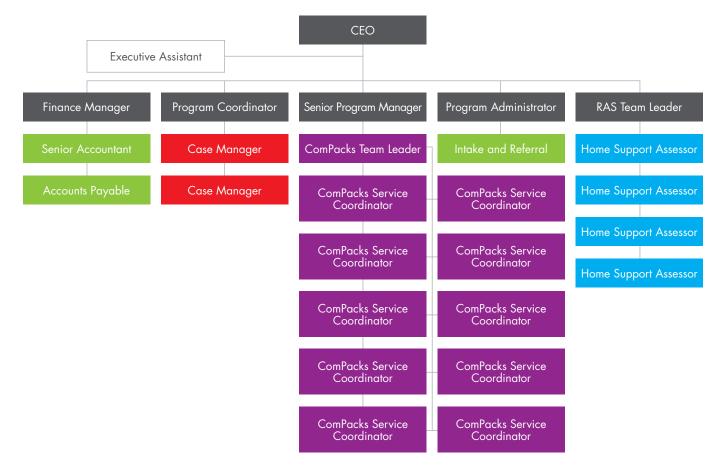
A key aspect of any organisation is the people. Over the past 12 months, the organisation has grown significantly, and we now have almost 30 employees engaged with supporting people in the community.

In addition, there is a network of 31 organisations that collectively make up the work COA delivers. This is a substantial volume of work and coordination that COA oversees that allows the quality care to be provided to the people who need it.

A key aspect of COA is to get that sweet spot with the right amount of people with diverse backgrounds and experience with a can-do attitude that supports a great working culture. I am proud to say that this has been not only maintained but also strengthened as our organisation undergoes dramatic growth.



Organisation Structure June 2019





In the past year, we went from 13 Staff to 25 staff (almost 50% increase in staffing capacity). We have also undergone a leadership training for our 6 team leaders to strengthen the capabilities of the organisation and embed a values-based culture that thrives on engaging, collaborating, supporting our staff, network providers and clients. This has allowed us to create a professionally competent robust team with a set of leadership skills that enhances our mission.

We currently have a mix of business, finance, clinical and professional skills amongst our team that enhances our ability to respond to the changing sectors.

Over the past year, we have also engaged and expanded our Board of directors, with a mix of diverse professional expertise and experiences, from diverse sectors, allowing COA to be more receptive to changes and to meet the challenges of an ever-changing policy landscape.



Much of the work cannot be achieved without the collaboration and great working relationship with our network. We currently have formal agreements with 34 organisations to deliver and coordinate service throughout the country.

Accurre Home & Community Services
Accurro Home & Community Services
Adssi HomeLiving Australia
Aquamarine Personalised Home Care
Australian Unity
Blacksheep Care Services
Booroongen Djugun Limited
Carrington Care
Clarence Valley Council
Coast Community Connections
Community Care Options
Community Gateway
Community Options ACT
Community Services #1 Inc
Crookwell/Taralga Aged Care
DOB Enterprises
Eurobodalla Shire Council
First Call Nursing
Greystanes Disability Services
Gunning Community Care
HammondCare
Heartbeat Nursing Agency
Innovate Consultancy Services Pty Ltd
Interchange Australia
Omnicare Alliance Limited
Pinnacle Community Services
Sapphire Coast Aged Care Services
Snowy Monaro Regional Council
SydWest Multicultural Services
Taree Home Nursing
The Forrest Centre
Tweed Shire Council
Upper Lachlan Community Care
Wendy's Home Care
Yourside



People Aligned with Purpose

People at the core of our service coordination

With coordinating community services to over 7000 clients, an important part of the service enhancements is to receive feedback that informs our direction and allow us to work with our network to improve.

This past year we received a staggering 2869 direct client feedback letters that have proved to be immensely useful in our service delivery and coordination. This feedback provides valuable insight to our performance and our ability to adequately respond to client's needs.

Key achievements:

• 95% of clients are satisfied, very satisfied with the services they received.

From this feedback, we have been able to enhance our network of providers, continue to expand and diversify our services geographically and tailor services to the needs of our clients that makes for a valuable proposition.



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This past year we received a staggering 2869 direct client feedback letters that have proved to be immensely useful in our service delivery and coordination.



Profile and Leadership

There are several reforms and reviews currently taking place in the aged care and disability sectors which will shape the sector over the coming years and decades. The sector will need to embrace, to adapt and respond to these reforms accordingly.

COA will continue to innovate, look at opportunities to respond to clients emerging needs and collaborate with the network to deliver better outcomes.

We have achieved this by:

 Developing an IT platform that supports the coordination of service across multiple stakeholders and programs.

COA will continue to invest in Technology as it is incorporated seamlessly into our services with sophistication over time. It will be important to harness the feedback and data from technology mediums to better inform the care we provide.

2. Collaboration, as there is a real need to coordinate care and make services accessible, seamless and reliable for the clients.

We will continue to develop the working relationship focussing on the quality outcome for clients. Good working relationships are the backbone of COA and will be crucial to increase efficiencies and reduce complexities for the clients.

3. Consumer driven perspective and informed care.

COA has been able to assist the network to focus on the outcome clients receive as the driver for more effective coordination of care. The needs of clients are primarily around after-hours support, transport and social engagement in the local area. Most importantly is the ability of clients (and their carers) to rely on the consistency of services and staff such that working relationships are formed and trusted over time.

We pride ourselves not only on the current service levels COA coordinates with the network of providers, but we also see additional opportunities to refine, redefine and develop services models that are current, relevant, but also reliable and effective.

This means that COA has invested in developing service models that enhance care coordination and leverage off existing programs and services to better support clients.

Investing in our network

COA Professional Development and Education workshops

- Case management (35 attended from 26 organisations)
- Mental Health Check (24 from 17 organisations)

Conducted Sector Insights workshop

• Leadership series in preparation for Aged Care One Assessment proposal

Conferences & Representation

- Submitted an abstract at the The/MHS conference 2019
- Attended ACAT and RAS National Workshop My Aged Care

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COA has been able to assist the network to focus on the outcome clients receive as the driver for more effective coordination of care.

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Financial Sustainability

A priority for COA during this metamorphosis was to develop a sound financial management framework, streamlined to better support our clients and networks.

Program and service delivery increases in demand and operational complexity have flowed through as improvements made to our internal operations. Our focus on developing robust and stable financial platforms included hiring staff with the knowledge and expertise to streamline operational processes and support our investment in the IT platform underpinning our processes.

We are better positioned to support our network by providing accurate and timely payment for services and reducing the complexities associated with reporting.

Another factor in our financial sustainability is to work towards longer-term goals and strategy. Through planning, we have been able to commit to activities invested in the future of the network and the impact they can make in the sector. For COA, this enables the development of long-term sustainable strategies and making sound investment decisions.

There remains much to do managing and stabilising operational and financial processes a priority now and into the future.

Key achievements

- Increase in revenue by 52% and 82% increase in equity
- 90% of payments paid within the contractual payment terms
- Over 12,000 invoices processed and paid compared to under 1000 in 2017-18.
- Overall there were approximately 88,000 units of care delivered via the network, estimated to almost 100,000 hours of services during this financial year
- We anticipate the volume to increase by at least 15% over the coming year

The momentum and activity remain in an upward trajectory. We want to thank our staff, network, and stakeholders for working with COA through this period of growth.

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Through planning, we have been able to commit to activities invested in the future of the network and the impact they can make in the sector.

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We want to thank our staff, network, stakeholders and the board to holding on tight during this fast pace journey and transformation.

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Community Options Australia – Annual Report 2019

Community Options Australia Limited Statement of profit or loss and other comprehensive income For the year ended 30 June 2019



*	Note	2019 \$	2018 \$
levenue	4	19,303,648	12,687,247
nterest income		5,685	8,750
xpenses imployment expenses pepreciation and amortisation expenses idministration and office expenses operational expenses oss on disposal of plant and equipment inance costs		(1,720,107) (59,506) (749,477) (16,269,707) (3,721)	(481,294) (22,941) (526,617) (11,565,854) (3,801) (284)
urplus before income tax expense		506,815	95,206
ncome tax expense			
urplus after income tax expense for the year	17	506,815	95,206
ther comprehensive income for the year, net of tax			10 7 2
otal comprehensive income for the year		506,815	95,206
		506,815	

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Community Options Australia Limited Statement of financial position As at 30 June 2019			×
	Note	2019 \$	2018 \$
Assets			
Current assets Cash and cash equivalents Trade and other receivables Other financial assets Other assets Total current assets	6 7	1,587,858 1,227,875 - - 7,837 2,823,570	227,615 973,647 255,800 24,993 1,482,055
Non-current assets	2-	2,020,070	1,402,000
Plant and equipment Intangibles Other financial assets Total non-current assets	8 9 10	146,134 18,460 95,033 259,627	60,837 33,192 95,033 189,062
Total assets	_	3,083,197	1,671,117
Liabilities			
Current liabilities Trade and other payables Lease liabilities Employee benefits Provisions Income received in advance Total current liabilities	11 12 13 14 15	1,844,701 59,505 50,000 35,949 1,990,155	969,586 1,042 22,938 - 86,795 1,080,361
Non-current liabilities Employee benefits Total non-current liabilities	16	3,189 3,189	7,718
Total liabilities		1,993,344	1,088,079
Net assets		1,089,853	583,038
Equity Retained surplus	17	1,089,853	583,038
Total equity	-	1,089,853	583,038

The above statement of financial position should be read in conjunction with the accompanying notes



LBW & Partners Chartered Accountants & Business Advisers ABN 80 618 803 443

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Community Options Australia Limited ABN: 30 606 404 127

Independent Auditor's Report to the members of Community Options Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Community Options Australia Limited (the company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Community Options Australia Limited has been prepared in accordance with the *Corporations Act 2001*, including:

- giving true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- complying with Australian accounting standards Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Liability limited by a scheme approved under Professional Standards Legislation



Analysis Interpretation Planning



Community Options Australia Limited ABN: 30 606 404 127

Independent Auditor's Report to the members of Community Options Australia Limited

Responsibilities of Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with the *Australian Accounting Standards – Reduced Disclosure Requirements* and the *Corporations Act 2001* and for such internal control as the directors determine necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located in the auditing and Assurance Standards Board website at: <u>http://www.auasb.gov.au/Home.aspx</u>. This description forms part of our auditor's report.

Rupaninga Dharmasiri Partner

LBW & Partners Chartered Accountants Level 3, 845 Pacific Highway CHATSWOOD NSW 2067

14th th day of October 2019 Dated this



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